GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:872
ANSWERED ON:04.03.2005
INCREASE IN INTEREST RATE OF PROVIDENT FUND
Chouhan Shri Shivraj Singh;Gadakh Shri Tukaram Gangadhar;Mandlik Shri Sadashivrao Dadoba;Panda Shri Prabodh;Ponnuswamy Shri Mohan;Rao Shri Kavuru Samba Siva;Singh Shri Kirti Vardhan;Yaskhi Shri Madhu Goud

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have recently increased the interest rate of Employees Provident Fund (EPF);

(b) if so, whether the Government is also going to increase the interest rate of General Provident Fund (GPF);

(c) if so, the details in this regard and if not, the reasons for the same; and

(d) the number of employees likely to be benefited by this decision?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a): No, Sir. The rate of interest on Employees` Provident Fund (EPF) accumulations is fixed by Government on the basis of the recommendation of the Central Board of Trustees of EPF (CBT). CBT has recommended an interim rate of 8.5% for the year 2004-05. The CBT has not recommended a final rate of interest for 2004-05 to the Government.
(b): No, Sir.

(c): and (d): Do not arise.